GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4873
ANSWERED ON:07.05.2012
TRANSACTION COST FOR EXPORTS
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has recently decided to lower the transaction cost for Indian exports in a bid to make them more competitive in the global market;

(b) if so, the details thereof and reasons therefor;

(c) whether the various bureaucratic and infrastructure hurdles are the main factors responsible for slow growth of the exports; and

(d) the steps taken/proposed to be taken by the Government to ensure the removal of such hurdles?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a)to (d) A Task Force on Transaction Cost in Exports was constituted in October, 2009 by the Department of Commerce to identify bottlenecks affecting India's exports and suggest ways to reduce transaction cost and thereby enhance export competitiveness. The report of Task Force, containing 44 recommendations relating to infrastructure and procedure was released on 8th February, 2011. Out of these 44 recommendations, 23 have been implemented which reduced the transaction cost to the extent of Rs.2100 crore in perpetuity. The procedural simplification to reduce transaction cost is a continuous endeavour.